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COUNTRY PROGRAMMES AND MID-TERM REVIEWS

Reports on mid-term reviews: an overview

Report of the Administrator

SUMMARY

The present report is submitted in accordance with Governing Council decision 92/28. It covers the mid-term reviews of the country programmes for India, Indonesia and Zambia, addresses the programme issues arising from those reviews and provides current information on the resource situation. Annex I presents summary financial data while annex II contains the revised timetable for the mid-term reviews to be carried out during the period 1993 to 1995.

I. INTRODUCTION

1. The present report is submitted in accordance with Governing Council decision 92/28 of 26 May 1992, in which the Council invited the Administrator to submit at the special session in 1993 a tentative timetable for the various mid-term reviews to be carried out in the years 1993-1995.

2. The Governing Council requested the Administrator to include in mid-term review documents a brief analysis of:

(a) Levels of national execution, together with experience gained;

(b) UNDP assistance in national capacity-building at the policy and programme formulation, management and evaluation levels;

(c) Experience with the new support costs arrangements, including problems encountered in their implementation;

(d) Experience with the programme approach, including the use of alternative support mechanisms and the extent to which it has changed the focus of the country programme.

3. As indicated in paragraph 4 of document DP/1993/6, summary financial data on commitments against expenditures of indicative planning figures (IPFs).

4. The present report covers the first three mid-term reviews carried out between January-June 1993, namely those of the country programmes for India, Indonesia and Zambia. The report provides an overview along the lines suggested in Governing Council decision 92/28.

5. Annex II shows a revised timetable of the various mid-term reviews as at 30 October 1993. It is anticipated that the three mid-term reviews conducted in the latter half of 1993 and the joint reports therefrom will be presented to the Governing Council at its forty-first session (1994).

II. OVERVIEW

6. It had originally been planned to review four country programmes in the first half of 1993; however, the review of the country programme for China was deferred to November 1993. The programmes reviewed, those for India, Indonesia and Zambia, represent a total value of $248.7 million or 7.3 per cent of currently available fifth cycle indicative planning figure (IPF) entitlements (i.e., fourth cycle carry-overs plus fifth cycle IPF resources stated at 75 per cent).

India

7. The fourth country programme for India was approved by the Governing Council at its thirty-seventh session (decision 90/33), concurrently with the adoption of decision 90/34, in which the Council decided that UNDP should focus

on building and strengthening national capacity in six specific areas. The approval of the country programme also preceded the Government's structural adjustment programme announced in July 1991. While both Council decision 90/34 and the reform programme had not been foreseen during the preparation of the fourth country programme, efforts were made to integrate the six areas of focus and national economic reform priorities in the subsequent formulation of UNDP support to national programmes and projects.

8. The mid-term review (May 1993) concluded that the fourth country programme continued to be relevant to India's priorities and needs. Much is being achieved in relation to the acquisition of advanced technology and the upgrading of national institutions and services, although, notably, the sustainability of these achievements remains a key question.

9. When the fourth country programme was approved, close to 100 projects were carried over from the previous programme, and during the initial period of the programme the trend of interventions in the form of small free-standing projects continued. However, in 1992 India began to apply the programme approach and two major subsectoral programmes were approved.

10. In an attempt to sharpen the focus further and to enhance the impact of the programme, the meeting concluded that (a) the number of objectives included in the fourth country programme should be reduced from six to five, leaving out export promotion as a free-standing objective; (b) assistance should shift from institution-building to linkage-building, from a supply- to a demand-driven approach, from the provision of high-tech equipment to human resource development; and (c) the programme approach should be applied whenever possible.

Indonesia

11. The fourth country programme for Indonesia with 11 multisectoral areas of concentration was approved by the Governing Council at its thirty-eighth session (decision 91/28). The mid-term review (June 1993) noted that the Government's development strategy since the approval had remained largely unchanged. Steady progress was noted in the priority areas identified: poverty alleviation; productive employment; environmental protection; institutional reform; and decentralization of development activities. The fourth country programme has therefore remained relevant to the country's development priorities. In order to sharpen its focus and impact, the programme was streamlined from 11 to 8 programme areas through the consolidation of concentration areas and the winding down of 50 stand-alone projects. The review also decided to direct remaining programmable resources to the poverty alleviation and environmental protection/natural resources management programmes.

Zambia

12. The fifth country programme for Zambia was approved by the Governing Council at its special session in February 1992 (decision 92/10) on the condition that an advance mid-term review would be held in early 1993; the results of this exercise would then be submitted to the Council in the form of either a revised or a new programme for the period 1994-1998. The review (May 1993) noted that the basic development policies of the new Government were

not significantly different from those introduced towards the end of the previous government. There was, however, a clear shift in emphasis towards a faster, economic reform process led by the private sector, albeit under sharply deteriorating economic and social conditions. The review concluded that, while it was premature to determine its impact, the fifth country programme was still relevant and appropriate for Zambia's stated needs. However, there was a need for the programme to be re-oriented towards the new Government's strategy and to be more focused in order to enhance its impact. The programme originally had five sectoral areas of concentration: agriculture; industry; economic planning and management; education and training; and women-in-development. It has been reorganized around three broad but interrelated programme areas, namely, capacity-building for economic management (with an indicative resource allocation of 39 per cent); support to private sector development (19 per cent); and support to social sector development (42 per cent). Significant in this respect was the mainstreaming of women-in-development issues throughout the three programme areas.

13. In general, it should be noted that the UNDP country programmes reviewed were at different, early stages of the transition to the programme approach and the new focus of UNDP support. This makes it difficult or premature to assess their impact in these terms. It is clear from the reviews, however, that the current programmes for the three countries remain valid and appropriate for their stated development priorities. No changes requiring Governing Council consideration and decision are warranted. Limited adjustments related to form and strategy were found necessary and were undertaken. Specifically, these pertained to the reorganization of existing projects around sectoral or thematic clusters and a reduction in the areas of concentration in order to sharpen the focus, impact and continued relevance of the country programmes. Given the adjustment lag in the programme process, the impact of these steps will be clearer later in the cycle.

14. Much effort has also gone into making the UNDP country programmes responsive to the thematic concerns of Governing Council decision 90/34, either through new initiatives or, more commonly, by integrating the six areas of focus into existing activities. In both cases, the efforts have been limited by the difficulty of making adjustments to ongoing projects carried over from the previous cycle, by the decline in fifth cycle programmable resources and the institutional rigidities within recipient governments.

III. PROGRAMME ISSUES

A. Levels of national execution and experience gained

15. The mid-term reviews indicate that considerable progress has been made in the use of the modality of national execution. In India, thanks to the availability of national expertise and institutional capacity, nationally executed projects now account for 62 per cent of approved budgets while the figure in Indonesia is 28 per cent and growing. The modality is regarded as necessary to promote self-reliance; for this reason and in line with General Assembly resolution 47/199 of 22 December 1992 and several Governing Council

decisions, notably 90/21, 91/27 and 92/22, its use is expected to increase in the remainder of the implementation of these country programmes.

16. While the modality of national execution has been accepted by the Zambian authorities in principle, the mid-term review recommended that its application be selective in light of administrative and manpower constraints facing the Zambian Civil Service. These constraints are also being addressed directly through the largest programme area of the fifth country programme for Zambia, namely capacity-building for economic management.

17. Further progress towards national execution remains inhibited by the lack of familiarity among national institutions with UNDP rules and procedures for reporting and accounting. Each circumstance requires additional, enabling arrangements to enhance the use of this modality. The most common of these include local training in national execution and the use of the TSS-2 facility to enhance substantive accountability and ensure technical backstopping by agencies during national execution of projects.

18. More importantly, the modality will be enhanced as a result of the current work on simplifying the reporting requirements for national execution and decentralizing procurement and subcontracting functions to the field.

B. UNDP assistance in national capacity-building for policy and programme formulation, management and evaluation

19. In all reviews, capacity-building is considered a critical element of self-reliance and appears in the different country programmes as an explicit objective or as a discrete programme or concentration area. The experience suggests that the achievement of this objective is a long-term process, requiring UNDP involvement over a greater time-frame than usual, coupled with consistent government commitment.

20. The limiting factors to effective UNDP assistance to national capacity-building emanate from poor programme-support design (e.g., overly ambitious objectives and outputs) and the relative lack of experience in executing multisectoral programmes. The efforts are also constrained by the limited supply of suitable counterparts at the upstream levels and, related to this, inappropriate counterpart training strategies within the programmes. In the case of Zambia, the mid-term review recommended a group counterpart-training strategy to mitigate the negative effects of high labour mobility within the public service.

C. Experience with new support costs arrangements, including problems encountered in their implementation

21. Limited experience with the new support costs arrangements was reported since this is a facility that came into operation only in mid-1992. In general, favourable impressions were noted, especially the characteristics of transparency, discrete services and broadening participation in the provision of

these services during implementation. There are expectations that the new support costs arrangements will facilitate the use of the national execution modality.

D. Experience with the programme approach, including the use of alternative programme mechanisms and the extent to which it has changed the focus of the country programme

22. In general, the reviews have established the acceptance of the programme approach as a viable instrument for bringing focus into the programming process and activities and for integrating UNDP support more completely into efforts to achieve national objectives. Experience varies among countries. However, much of the mid-course adjustments towards the programme approach have centred on reorganizing existing projects around thematic areas and on reducing the number of programme or concentration areas. This has not immediately resulted in fewer projects, given the adjustment lag in the programme process and the fact that the areas of concentration have tended to be too broad or all-encompassing of government requests.

23. The above notwithstanding, there is a definite perception that the programme approach will bring rigour to the programming process. There is also a clear tendency towards applying the programme approach to new programming opportunities. The programmes and projects being developed tend to be fewer and larger in scope than before the reviews. Towards this end, the programme support document distributed by UNDP in late 1993 and the guidelines on monitoring and evaluating the programme approach, presently under preparation by UNDP and other United Nations specialized agencies, will significantly advance this process.

IV. RESOURCE SITUATION

24. The mid-term reviews indicate that IPF resources are nearly fully committed and that a significant proportion of these commitments were in fact carried over from the preceding programmes. Globally, IPF budgets amounting to $1.2 billion, or 35 per cent of currently available fifth cycle IPF entitlements ($3.387 billion), had already been approved at the end of the fourth cycle (1991). By the end of the first year of the fifth cycle (1992), the approved budgets had risen to $1.77 billion or 52 per cent of currently available fifth cycle IPF entitlements.

25. The significant decline in available resources has tended to limit the capacity of the UNDP country programmes to adjust substantively to changing circumstances and/or to initiate new activities addressing themes and concerns of interest to the Governing Council.

26. A financial summary of the country programmes reviewed is provided in annex I.

Annex I

SUMMARY FINANCIAL DATA ON COMMITMENTS AGAINST EXPENDITURES OF IPFS AT MID-TERM REVIEW

Country	Date of mid-term review	Programmable IPF entitlement a/ (millions) (1)	Budget-approved at mid-term review (millions) (2)	(2) as percentage of (1)
India	May 1993	155.80	140.00	90
Indonesia	June 1993	50.83	49.70	98
Zambia	May 1993	25.9	12.58	49

a/ Adjusted to 75 per cent of IPF entitlement.

Annex II

REVISED TIMETABLE FOR THE MID-TERM REVIEWS TO BE CARRIED OUT DURING THE PERIOD 1993 TO 1995

COUNTRY
January-June 1993
India
Indonesia
Zambia
July-December 1993
China
Fiji
Tonga
January-June 1994
Bangladesh
Burkina Faso
Cameroon
Cape Verde
Central African Republic
Chad
Comoros
Equatorial Guinea
Gambia
Malawi
Mali
Niger
Seychelles
Uganda
Cook Islands
Democratic Republic of Korea
Lao People's Democratic Republic
Maldives
Niue
Samoa
Tokelau
Viet Nam
Jordan
Saudi Arabia
Tunisia

COUNTRY
January-June 1994
Anguilla
Antigua and Barbuda
Bolivia
Brazil
Caribbean Multi-islands
Cuba
Dominican Republic
Dominica
Grenada
Guatemala
Montserrat
Nicaragua
Saint Kitts and Nevis
Saint Lucia
Saint Vincent and the Grenadines
July-December 1994
Czech Republic
Hungary
Malta
Poland
Slovakia
Botswana
Côte d'Ivoire
Guinea
Guinea-Bissau
Lesotho
Mauritania
Nigeria
Rwanda
Sao Tome and Principe
Senegal
Swaziland
Zimbabwe
Bhutan
Kiribati
Malaysia
Nepal

July-December 1994

Solomon Islands
Sri Lanka
Tuvalu

Egypt
Lebanon
Morocco
Syrian Arab Republic
United Arab Emirates

Argentina
Chile
Colombia
Mexico
Paraguay
Peru

January-June 1995

Angola
Benin
Burundi
Congo
Ethiopia
Gabon
Ghana
Kenya
Madagascar
Mauritius
Mozambique
Namibia
Sierra Leone
Tanzania
Zaire

Islamic Republic of Iran
Marshall Islands
Micronesia
Mongolia
Pacific Multi-islands
Palau
Papua New Guinea
Philippines
Republic of Korea
Thailand
Vanuatu
Algeria

January-June 1995

Bahrain
Djibouti
Kuwait
Libyan Arab Jamahiriya
Qatar
Yemen

British Virgin Islands
Costa Rica
Ecuador
Guyana
Honduras
Panama
Saint Helena
Uruguay
Venezuela

July-December 1995

Bulgaria
Romania

Sao Tome and Principe

Aruba
Bahamas
Barbados
Belize
Bermuda
Cayman Islands
El Salvador
Haiti
Jamaica
Netherlands Antilles
Suriname
Trinidad and Tobago
Turks and Caicos Islands

January-June 1996

Togo

Pakistan

July-December 1996

Albania
Turkey

GLOBAL AND INTERCOUNTRY

DGIP global	January-June 1994
ICP-Asia/Pacific	January-June 1994
ICP-Europe	July-December 1994
DGIP Interregional	July-December 1994
ICP - Africa	July-December 1994
ICP - Latin America	July-December 1994
ICP - Arab States	January-June 1995